

A\$2.0 million capital raising to expedite Felix™ commercialisation activities and strategic partner discussions

Highlights:

- Placement to raise A\$1.0 million strongly supported by existing shareholders and new sophisticated and professional investors
- Memphasys to provide shareholders access to same Placement terms via a Share Purchase Plan to Eligible Shareholders to raise up to a further A\$1.0 million
- Proceeds to be applied to:
 - Finalisation of Felix™ clinical trial, a milestone for advancing strategic investor interest and expedited distributor sales
 - Progressing an equine fertility study, where commercial sales are expected within 12 months¹
 - Conducting a study to establish a baseline and thresholds for oxidative stress likely to be associated with meaningful events in reproductive performance
- Peters Investments Convertible Note extended until 30 June 2025, subject to shareholder approval

Australian-based bio-separations and reproductive biotechnology company Memphasys Limited (ASX: MEM) (**Company** or **Memphasys**) is pleased to announce a capital raising via a Placement to sophisticated and professional investors (**Placement**) to raise A\$1.0 million and a Share Purchase Plan (**SPP**) to raise up to a further A\$1.0 million.

Use of Proceeds

1. Felix™ clinical trial

Funds raised will be used to finalise the Felix™ System clinical trial in Japan, a key milestone in the advancement of strategic partner discussions and expedited sales of the system in the Japanese market.

The Felix™ System is a patented automated device for quickly and gently separating sperm from a semen sample for use in ART procedures. It is being sold commercially in Japan, a significant global market, where Memphasys has an exclusive distribution agreement with Vitrolife Japan KK, a subsidiary of global company Vitrolife Group.

Clinical interest among Japanese IVF clinics has grown significantly, following positive findings from a Japanese clinical trial conducted in Q4FY24 in which the Felix™ System outperformed a sperm preparation method comprising two widely used technologies, a combination of Density Gradient Centrifugation followed by SwimUp (DGC+SU).

¹ Refer ASX announcement dated 4 September 2024

The clinical trial conducted by the Reproduction Clinic Osaka, Japan, a Key Opinion Leader and an early adopter of the technology, showed clear benefits from using the Felix™ System across most clinical measures over the alternative sperm preparation methods.

Vitrolife Japan KK and Memphasys continue to advance sales activities, however it should be noted this activity will not be significantly expanded until the wider clinical trial is completed in the current calendar year and results published shortly thereafter.

2. Felix™ equine fertility study

Funds raised will also be applied to an equine fertility study that Memphasys believes will significantly advance the global commercialisation of the Felix™ device, positioning it as the leading technology for equine sperm selection.

3. Oxidative Stress Measurement system study

In consultation with industry, Memphasys and Klean Gene have identified the need to conduct a study to establish a baseline and thresholds for oxidative stress likely to be associated with meaningful events in reproductive performance. Determination of these events when correlated with reproductive performance could provide significant value to the animal industry.²

Memphasys has developed a prototype methodology for oxidative stress measurement which will be applied to such a study. Applying its early-stage oxidative stress measurement prototype, the study design is intended to include both longitudinal and retrospective analyses to identify oxidative stress thresholds in bovines and potential correlations with reproductive performance.

Memphasys is currently exploring industry partnerships and defining appropriate clinical on-farm partners for data and blood collection. Once this process is complete, Memphasys will provide a detailed update on study progress, including partners, commencement date, and completion date.

The completion of the Felix™ clinical trial (Q4 CY2024) and equine study (Q4 CY2025) are expected to be key catalysts in advancing non-dilutive strategic discussions and wider commercial activities. The Company will consider possible corporate and industry relationships to assist the commercialisation in relation to Felix™ and its Oxidative Stress Management System.

The Company notes that some of the capital raising funds will be used for general working capital purposes.

Memphasys' CEO and Managing Director, Dr. David Ali said:

"We believe that by securing these funds, together with the recent funds provided by Andrew Goodall and the conditional extension of the Peters Investments Convertible Notes, provides the Company with the necessary balance sheet comfort to reach tangible milestones that will unlock strategic partner and commercial opportunities for the Company.

"I would like to personally thank our shareholders for their commitment to this journey."

² Refer ASX announcement dated 19 July 2024

Placement

The Company has received firm commitments in respect of a Placement to sophisticated and institutional investors raise A\$1 million via the issue of fully paid ordinary shares (**Shares**) at an issue price equal to the lower of \$0.008 and a 20% discount to the 5-day VWAP as at the date of issue of the Shares.

Participants in the Placement will also receive one free attaching option (exercisable at \$0.011 and expiring 2 years from the date of issue) (**Placement Option**) for every one Share subscribed for and issued under the Placement.

The Placement Shares and Placement Options will be issued subject to shareholder approval, to be sought at a general meeting proposed to be held in late October 2024 (**General Meeting**).

The Shares issued pursuant to the Placement will be issued after the record date for the SPP. Participants in the Placement will not be eligible to participate in the SPP.

Canaccord Genuity (Australia) Limited is acting as Lead Manager to the Placement.

Share Purchase Plan ("SPP")

The SPP will be offered to eligible shareholders to raise a total of up to A\$1.0 million, at an issue price equal to the lower of \$0.008 and a 20% discount to the 5-day VWAP as at the date of issue of the Shares. It is intended that the Placement Shares and SPP Shares will be issued on the same date, at the same issue price.

Subject to shareholder approval, participants in the SPP will also be issued one free attaching option (exercisable at \$0.011 and expiring 2 years from the date of issue) for every one Share subscribed for and issued under the SPP.

The SPP Shares and Options will be issued pursuant to a prospectus, proposed to be issued by the Company and lodged with the ASIC on or about 19 September 2024 (**Prospectus**).

Eligible shareholders will comprise those shareholders with a registered address in Australia or New Zealand as at the record date of 11 September 2024.

Memphasys will also contemplate conducting a top-up placement to raise up to an additional A\$1.0 million (subject to shareholder approval), upon completion of the SPP, on the same terms as the SPP (and Placement) and dependent on the SPP outcome.

Canaccord Genuity (Australia) Limited is also acting as Lead Manager to the SPP.

Further details with respect to the SPP will be set out in the Prospectus.

Indicative Key Dates

Event	Date 2024
Record Date for SPP	Wednesday, 11 September
Announcement of SPP and Placement	Thursday, 12 September
Lodgement of Appendix 3B with ASX	Thursday, 12 September
Lodgement of Prospectus with the ASIC	Thursday, 19 September
SPP opening date and Prospectus sent out to Shareholders	Friday, 20 September
Closing Date as at 5:00pm AEDT*	Tuesday, 22 October
General Meeting of the Company	Friday, 25 October
Issue date of SPP and Placement Shares and attaching Options and lodgement of Appendix 2A with ASX applying for quotation of the Shares (before noon, Sydney time)	Friday, 25 October

Dates are indicative only and subject to change. All times and dates refer to Australian Eastern Standard Time. Memphasys reserves the right to amend any or all of these dates and times, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws and regulations.

Extension of Convertible Note

The Company has also received ongoing support from Peters Investments Pty Ltd, who has agreed to extend the maturity date for his Convertible Notes (with an aggregate face value of \$3m, plus capitalised facilitation fees and accrued interest) to 30 June 2025. This extension is conditional upon Memphasys obtaining shareholder approval under Item 7, Section 611, of the Corporations Act 2001 (Cth), to enable Peters Investments Pty Ltd to increase his voting power in the Company (from a starting point above 20%), as a result of any future conversion of the Convertible Notes to shares. Such shareholders' approval is to be received prior to 30 November 2024. The Company intends to seek the requisite shareholder approval at its Annual General Meeting, to be held in late November 2024.

This ASX release has been approved by the Memphasys Board.

For further information, please contact:

Robert Cooke
Chairman
T: 02 8415 7300

David Tasker
Chapter One Advisors
T: 0433 112 936
E: dtasker@chapteroneadvisors.com.au